

## **Brief Summary of RTO West RRG Meeting March 31, 2004**

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### **Introduction**

This summary is intended to briefly describe the major topics of discussion during the March 31, 2004 meeting of the RTO West Regional Representatives Group (RRG). It is not intended to be a verbatim transcript of anyone's remarks, and it is not intended to suggest that any particular representative or entity at the RRG meeting agreed with or endorsed the views described in this summary.

### **Overview of March 31 Meeting**

- An RTO West RRG meeting was held at the Shilo Inn Suites Hotel in Portland, Oregon on Wednesday, March 31, from 1:00 p.m. to 4:00 p.m. PST.
- Approximately 60 people attended the RRG meeting, including 26 designated RRG representatives. Three state representatives attended the meeting in person, and two state representatives participated by phone.
- The main purpose of the half-day meeting was for work groups to update the RRG on progress on technical and governance work streams underway to develop the Regional Proposal.
- The Transmission Services Liaison Group reported on the Request for Qualifications (RFQ) process for soliciting Statements of Qualifications for core technical staff and on the goals of the Module 1 work efforts on defining transmission service.
- The Articles and Bylaws Work Group updated the RRG on its efforts to develop by the end of April draft Articles and Bylaws for both the Developmental and the Operational Entity.
- A large majority of the RRG supported calling the Independent Entity (as referred to in the Regional Proposal) "Grid West." Plans were developed for how and when to change the corporate name from RTO West to Grid West.
- The RRG heard reports from the recent March 24-26 meeting of the Committee on Regional Electric Power Cooperation (CREPC).
- There was a short update on plans for briefings at FERC and with Northwest Congressional delegation members and staff on April 29 and 30. Briefings will cover both the RRG's Regional Proposal and a SSG-WI report.
- The RRG decided to meet again in Portland on Wednesday and Thursday, May 5-6, and on Wednesday, May 19, 2004, (with a possible meeting on May 26, 2004 if needed) and laid out a plan for reviewing and assessing work developed to support the Bylaws assessment at Decision Point #1 on the RRG Process Diagram.

### **Transmission Services Liaison Group (TSLG)**

Request for Qualifications (RFQ). An RFQ to provide technical staff support for the TSLG to develop the framework for market and operational structures in the Beginning State was issued on March 12. Clarifying questions are being answered and posted. Statements of Qualifications are due April 2. The TSLG then will screen and interview candidates and select the most qualified candidate if possible (but no more than three

candidates) to be submitted to the filing utilities by April 23. The filing utilities will determine funding and, if a suitable candidate is selected, will negotiate RTO West's engagement of technical support. TSLG will have management oversight of the technical support staff.

Scope of Work. TSLG members explained the scope of technical work is intended to provide a framework of answers and details about the Beginning State that will help inform Decision Points #1 and #2. A report on Module 1 work, defining transmission service, is scheduled to be ready by the end of April for Decision Point #1. Technical staff will work on Module 2, rights administration, Module 3, scheduling, operations and settlement, and Module 4, ancillary services, to support Decision Point #2 at the end of the year. As much work on Module 5, implementation and cost estimates, as can be completed will be handed off to the Developmental Board when it is seated.

Preview of Module 1 Report. The TSLG is meeting frequently to develop a basic definition of transmission service (Module 1). A report, to be ready by April 30 at Decision Point #1, will include objectives and features of the Regional Proposal, details of service structure, a recommended tariff structure, and a glossary of terms. A small group of both TSLG and Facilities Group members has met several times to work on the tariff structure and define the relationship between the independent entity's tariff and individual transmission owners' tariffs.

### **Articles and Bylaws Work Group Report**

The Articles and Bylaws Work Group reported meeting four times and holding a number of small sub-group conference calls. The group is currently working on two drafts of Bylaws – one for the Developmental Entity and one for the Operational Entity. The group also intends to draft Articles of Incorporation for both the Developmental and the Operational Entities. Initial work was divided into four clusters of subjects – the corporations' purposes, authorities and limitations; provisions to incorporate the Regional Proposal, particularly governance provisions; dispute resolution provisions; and provisions related to amendment of the Bylaws, the "interim" Board, and triggers to move from the Developmental Entity to the Operational Entity.

The Work Group's approach is to use the Stage 2 Bylaws as a foundation and delete, add, or modify provisions as appropriate. The goal is to be ready with proposed Articles and Bylaws by the end of April for RRG review.

One recommendation from the Articles and Bylaws Work Group is for the existing RTO West Board to transition to oversee the membership application process, which allows election of the Developmental Board (targeted for the end of 2004). This interim Board would delegate to a committee responsibility for overseeing membership applications, and a smaller independent committee would resolve membership disputes.

Invitation to Join the Filing Utilities. Filing utility representatives also offered an invitation to other transmission owners in the region to join the filing utilities.

## **New Corporate Name—Grid West**

The RRG heard and discussed two suggestions from the Articles and Bylaws Work Group for a new corporate name for the independent entity. Some RRG members said they strongly supported changing the RTO West name, while a few didn't think it was necessary. After some discussion, the RRG did not accept either of the names offered by the Articles and Bylaws Work Group, but instead expressed broad support for changing the name to "Grid West." (Bob Kahn was given kudos for coming up with a good idea.)

Members of the Articles and Bylaws Work Group took responsibility for checking if "Grid West" corporate and domain names are available, and if the corporate name is available, legally changing the name from RTO West to Grid West when the Developmental Articles of Incorporation and Bylaws are adopted.

## **Report on March 24-26 CREPC Meeting**

The Committee on Regional Electric Power Cooperation (CREPC) met last week and a number of RRG members attended. Several people participated in a presentation about the RRG's Regional Proposal. Comments were generally positive and acknowledged progress. Some comments focused on demonstrating benefits, and there were questions regarding the permanence of the Proposal's governance structure.

Also, at the CREPC meeting there was a presentation on SSG-WI Transmission Planning activities. There were many positive comments about the work of SSG-WI.

The RRG was told about an upcoming meeting on April 6 in Portland sponsored by SSG-WI, CREPC, WECC, and sub-regional planning groups. The RRG was also given a copy of the agenda for this meeting. The emphasis of the meeting is on improving coordination among planning groups in the West.

## **RRG Meetings on May 5-6 and May 19**

The RRG developed a plan for RRG meetings to support working through Decision Point #1 in May. RRG meetings are planned for Wednesday and Thursday, May 5-6; Wednesday, May 19; and tentatively Wednesday, May 26, if needed.

The plan (as it was outlined at the March 31 RRG meeting) is:

- ***April 28, 2004 – Drafts of Bylaws Posted***
- ***April 30, 2004 – TSLG Report Posted***
- ***May 5-6, 2004 – (10:00-4:30) & (8:30-3:00) RRG Meeting to Review Drafts of Bylaws and Review TSLG Module 1 Report***
- ***May 19, 2004 – (8:30-3:30) RRG Meeting – Decision Point #1***
- ***May 26, 2004 – (8:30-3:30) Contingent RRG Meeting, if needed***